

1 Schneider: -

2 Paoli: Brenda Olson, you would agree should have known that your limited liability or captive insurance  
3 company established in Montana was not valid in Wyoming, would you agree with that?

4 Schneider: I would. As should of the Department of Insurance in Montana never made representation it  
5 was valid in Wyoming.

6 Paoli: When you applied for this captive insurance company, did you tell the Montana Insurance  
7 Commission that you practiced predominately in Wyoming?

8 Schneider: I told them that I practiced in Montana, Wyoming and occasionally in Utah.

9 Paoli: Did they ever tell you that you had to separate insurance for Utah and Wyoming?

10 Schneider: No.

11 Paoli: Okay. Do you have any accounts in any offshore banks?

12 Schneider: No.

13 Paoli: Do you remember tell Dr. Biles that you had \$10 million dollars in the Cayman Islands.

14 Schneider: That's ridiculous.

15 Paoli: Was it a joke?

16 Schneider: That's ridiculous, I am denying that I ever said that to Biles.

17 Paoli: Okay. Were there any medical malpractice claims pending against you at the time you emptied  
18 the Northern Rockies Insurance Corporations, account?

19 Schneider: Northern Rockies Neurospine filed claims on multiple cases that were either in litigation, had  
20 been settled by Northern Rockies Neurospine and needed to be reimbursed by Northern Rockies  
21 Neurospine or anticipated litigation based upon communication.

22 Paoli: Okay.

23 Schneider: All those claims that were filed were based upon litigation.

24 Paoli: Sure but my question is, were they pending against you and or your captive insurance company at  
25 the time you drained the money?

26 Schneider: Well there's no claim against the captive insurance company except the one I've filed. There  
27 was claims against Northern Rockies Neurospine and John H. Schneider, MD, PC and when money was  
28 paid as appropriate for Northern Rockies Insurance Company, it was paid to Northern Rockies  
29 Neurospine.

1 Paoli: You're not understanding my question. I just want to know if there were medical malpractice  
2 claims of former patients of yours that were pending against you or Northern Rockies Neurospine at the  
3 time that you drained the money from Northern Rockies Insurance Company. Pending claims, i.e. a  
4 lawyer had sent you a letter or that had already filed with the Wyoming Board of Med- Wyoming  
5 Medical Panel or they were already in District Court.

6 Schneider: Northern Rockies Neurospine filed all the claims it had filed were anticipated that those  
7 claims were pending or they were active claims.

8 Paoli: So the answer is yes, there were active claims when you took that money out.

9 Schneider: When Northern Rockies Neurospine filed the claims that it filed with Northern Rockies  
10 Insurance Company for E&O coverage, every claim that it filed was either an active claim or an  
11 anticipated claim based upon communication.

12 Womack: You know you're not really answering the question. It's a pretty simple yes or no question.  
13 He's saying, when you drained the money out were there active claims pending. Yes or no.

14 Paoli: Correct.

15 Schneider: Yes they were all active.

16 Womack: Okay.

17 Paoli: My follow up question would be had you previous to settling with Biles paid claims of former  
18 Wyoming patients out of Northern Rockies Insurance Company?

19 Schneider: They were paid from Northern Rockies Neurospine and claims that were settled and those  
20 claims that were settled – or I should claims were filed with Northern Rockies Insurance Company based  
21 upon those claims.

22 Paoli: Okay so what you're trying to tell me is, yes you paid Wyoming patients who had claims before  
23 you drained the money, but you would make Northern Rockies Insurance Company pay Northern  
24 Rockies Neurospine and then Neurospine would issue the check to that patient's lawyer, is that how it  
25 would go?

26 Schneider: Well the claims were against Northern Rockies Neurospine and John Schneider. They  
27 weren't against Northern Rockies Insurance Company. So Northern Rockies Neurospine or John  
28 Schneider, MD, PC needed to file a claim with the insurance company.

29 Paoli: Sure I understand that –

30 Schneider: So yes.

31 Paoli: But I've been in this business a long time and I've never got a check from a Doctor, I always get it  
32 straight from his insurance company, okay. So this is a little different. Why did you have to do it that

1 way? Why couldn't Northern Rockies Insurance Company simply pay the Wyoming former patient of  
2 yours?

3 Schneider: I don't have that answer for you.

4 Paoli: Was it because you knew that Northern Rockies Insurance Company could not pay a Wyoming  
5 claim?

6 Schneider: No.

7 Paoli: Okay. Have you or your wife withdrawn money the Schneider Limited Partnership since the  
8 bankruptcy was filed?

9 Schneider: I believe Michelle Schneider has.

10 Paoli: How much?

11 Schneider: Living expenses, I can't tell you how much.

12 Paoli: What is BSC, LLC?

13 Schneider: Brandon Shannon Caitlin.

14 Paoli: That's right, that's their –

15 Schneider: Was

16 Paoli: Was – where did that money go?

17 Schneider: Was never money. That was the land property –

18 Paoli: We've been through that – That's all I have, thank you Doctor.

19  
20 Womack: Anybody else?

21  
22 Gardner: Dr. Schneider- Trent Gardner again. Does Schneider Limited Partnership keep ongoing books?  
23 Does it have an accounting program?

24 Schneider: Well the accountant has done the books, in the past it was Keiser and now it's Pat Boyle.

25 Gardner: They do the books and the taxes at the end. Do they do regular accounting on a weekly or  
26 monthly basis as well?

27 Schneider: I think so, monthly or quarterly basis.



1 Gardner: So when there – when you take money out of Schneider Limited Partnership do you send a  
2 note to the accountant or what do you do?

3 Schneider: There is a withdrawal I take them the bank statements so it will reflect in the bank  
4 statement.

5 Gardner: But you or Kathleen Burrows; no body keeps QuickBooks or anything for Schneider Limited  
6 Partnership?

7 Schneider: No.

8 Gardner: The accountant simply do the accounting off getting a bank statement?

9 Schneider: Well, or specific things that are reported to them like, I'm not sure what specifically thing  
10 you're asking about but um –

11 Gardner: I'm asking about how do - you know what in Schneider Limited Partnership or how much  
12 you've taken out.

13 Schneider: Well I get the bank statements so we know how much is in Schneider Limited Partnership  
14 from the bank statements and they get a copy of the bank statements. On an ongoing basis.

15 Gardner: Who forwards them the bank statements?

16 Schneider: Either myself, my wife or Kathleen Burrows.

17 Gardner: What other information in addition to the bank statements do you forward to the  
18 accountants?

19 Schneider: Well if it is for a specific purchase for Schneider Limited Partnership, if I was taking a  
20 distribution out it would just show that it came to me. Now, if it was something that Schneider Limited  
21 Partnership was purchasing then it would say, Schneider Limited Partnership spent – this is purely  
22 hypothetical but \$10,000.0 to buy a backhoe then it would show as an asset to Schneider Limited  
23 Partnership and be depreciated.

24 Gardner: Who does MedPort's books?

25 Schneider: Kathleen Burrows.

26 Gardner: Does she have QuickBooks?

27 Schneider: I don't know that she does, again I think that Pat Boyle and his accounting firm mirror that.

28 Gardner: Who has an accounting for the loan from Schneider LP to MedPort?

29 Schneider: First it was Keiser Western Sages, CPA and then it's Pat Boyle.

1 Gardner: So no one within Schneider LP has an accounting, it's just information forwarded to the  
2 accountants.

3 Schneider: They're paid books as well as the taxes.

4 Gardner: So would the accountants also do the accounting on the loan from MedPort to the children's  
5 irrevocable trust?

6 Schneider: Yes, and they're filing taxes for as well.

7 Gardner: Was Mr. Greear involved in the decisions regarding how the money was taken out of Northern  
8 Rockies Insurance Company?

9 Schneider: Yes.

10 Gardner: Mr. Greear was involved in forming Schneider Limited Partnership?

11 Schneider: In 2007.

12 Gardner: In 2007, was a yes?

13 Schneider: Yes.

14 Gardner: In 2007 he was involved at the same time informing Schneider Management LLC?

15 Schneider: They were formed at the same time.

16 Gardner: And Mr. Greear was involved

17 Schneider: He did all the work.

18 Gardner: Mr. Patten asked you about shares in – what was the name of that company.

19 Unknown: Starts with an A

20 Schneider: AlphaTech

21 Gardner: Do you have any idea what those shares of Alphatech are worth?

22 Schneider: I think it's worth about \$70-grand.

23 Gardner: Okay. Those were giving to Schneider Management LLC?

24 Schneider: Right, the purchase of – yes.

25 Gardner: Does Schneider Management LLC own – have any other assets?

26 Schneider: No.

1 Gardner: In 2007 at the same time Schneider LP and Schneider Management were form Mr. Greear was  
2 also involved in forming your revocable trusts?

3 Schneider: Yes.

4 Gardner: At the same time he was involved in forming your wife's revocable trust, correct?

5 Schneider: Yes.

6 Gardner: Then in 2011 he involved in transferring the Ranch from BSC, LLC to Schneider Limited  
7 Partnership?

8 Schneider: Yes.

9 Gardner: Let me ask you this, have there been any transactions where estate planning or transfer of any  
10 major assets that you or Schneider Limited Partnership or Northern Rockies Neurospine or any of the  
11 related entities MedPort, LLC have done since 2007 without the advice of Mr. Greear?

12 Schneider: No.

13 Gardner: Is Mr. Greear still advising you?

14 Schneider: Yes.

15 Gardner: The accountants also have an accounting of the capital for Schneider Limited Partnership?

16 Schneider: Yeah they are the ones that determine it.

17 Gardner: Now, I think I understand your testimony to be that all of the money you've made you've  
18 contributed to the marital property? Is that essentially what you're saying today?

19 Schneider: Yes.

20 Gardner: Is the same true for any money that Michelle has made?

21 Schneider: Yes.

22 Gardner: What's in Michelle's revocable trust?

23 Schneider: Her ownership shares in Schneider Limited Partnership.

24 Gardner: Anything else?

25 Schneider: Not to my knowledge.

26 Gardner: Does Michelle have –

27 Schneider: Let me – I think her revocable trust is also what owns shares in Schneider Management.



1 Gardner: Anything else besides the interest in Schneider Limited Partnership and Schneider  
2 Management?

3 Schneider: No, not that I know of.

4 Gardner: What about bank accounts, where does Michelle have bank accounts?

5 Schneider: To the best of my knowledge US Bank or Stockman Bank. I don't know if she has other  
6 accounts.

7 Gardner: You know she has other accounts?

8 Schneider: I do not know if she has other accounts.

9 Gardner: Based on your reasoning any other money she has in other accounts is at least half yours  
10 right?

11 Schneider: Not necessarily if she took it as a distribution out of Schneider Limited Partnership out of her  
12 capital account it would be hers not mine.

13 Gardner: How much, what's the most Michelle's ever made in a year?

14 Schneider: \$150,000.00.

15 Gardner: Okay, you testified earlier that you probably contributed \$6 million dollars in cash was owed in  
16 Schneider Limited Partnership over the years?

17 Schneider: The marital entity of John and Michelle Schneider – at that value.

18 Gardner: How much of that was what Michelle had made verses what you had made in your practice?

19 Schneider: Well, I made a substantial income and she made her income.

20 Gardner: You made substantially more than her correct?

21 Schneider: I value her – value her as a homemaker and bringing up our children add equal value to the  
22 money that I made.

23 Gardner: That's not my question. My question is based on work you did and earned how much or what  
24 percent of that \$6 plus million dollars was a result of what you did and earned?

25 Schneider: A significant percent.

26 Gardner: 80-90%?

27 Schneider: Perhaps, that's correct.

28 Gardner: Okay. What's the address of the apartment that MedPort rents in California?

1 Schneider: 137 Cadmus

2 Gardner: And that's a residential apartment correct?

3 Schneider: Actually it started on 924 Bensing Blvd and then went to 137 Cadmus.

4 Gardner: Okay, and that's a residential apartment, correct?

5 Schneider: It's in a residential commercial district.

6 Gardner: And MedPort doesn't rent any other property in California correct?

7 Schneider: Yes.

8 Gardner: And that address where you and your wife live and you live 25% of time is 137 Cadmus Street  
9 in Encinitas, California, correct?

10 Schneider: Correct.

11 Gardner: So MedPort pays for your family residence in California.

12 Schneider: MedPort has paid, the only time – Michelle is a resident and I've been a resident 25% but  
13 beginning in September of 2014 as oppose to taking her salary in MedPort – MedPort paid the  
14 residential lease on that 137 Cadmus.

15 Gardner: So other than paying the residential lease for Michelle, it doesn't actually pay her \$2,500.00 a  
16 month.

17 Schneider: No

18 Gardner: Okay, so is it your testimony that between you and Michelle at most you receive- \$5,000.00  
19 total per month in benefit from MedPort LLC.

20 Schneider: Yes.

21 Gardner: And you have never, between you and Michelle, had MedPort either pay you in salary or  
22 wages or pay expenses for you of more than \$5,000.00 per month.

23 Schneider: I don't believe so.

24 Gardner: Any other benefits that you get from MedPort LLC?

25 Schneider: Well, for instance as I testified to before I recently was in China and that was in Shanghai,  
26 not only with my son but he's working and developing with a company, he's an exchange student but  
27 he's also working with a Chinese company in developing something a VRBO or Homeway, software  
28 model for that country. He's the only American that's working in that company. I used the MedPort  
29 credit – When I went I met with that company and met with the owner and director of that company to



1 sit in and participate and learn about what they are doing.

2 Gardner: What's the company's name?

3 Schneider: It's Chinese it's like – it translates to something like We Rent or something like that, I'd have  
4 to get you the –

5 Gardner: What's the guy's name that you met with?

6 Schneider: Hang Yong

7 Gardner: And your son is in China on an exchange program, correct?

8 Schneider: And he's working for that company as well.

9 Gardner: Is he receiving a paycheck from that company?

10 Schneider: Yes.

11 Gardner: What is his position with that company?

12 Schneider: He is the – I don't know what his official title is but he is the American Liaison for the  
13 development of this software project.

14 Gardner: So if he's working for that company and being paid by that company, then is he also at the  
15 same time being paid by MedPort, LLC?

16 Schneider: I don't know what his salary from MedPort, LLC is. I'm not aware that MedPort, LLC is being  
17 any partnership rights to the work that is being done in the development process that may be in the  
18 process of negotiations.

19 Gardner: So what he's doing is separate from what does for MedPort?

20 Schneider: The strategic my participation in what's he is doing is the strategic plan is to utilize what his  
21 ultimate compensation is in whatever they develop together to be – a part of it to be own by MedPort.

22 Gardner: The purpose of your trip to China was to take your son over there for his exchange program,  
23 correct?

24 Schneider: That was one of the purposes.

25 Gardner: How long did you meet with this guy?

26 Schneider: Two separate days?

27 Gardner: How long?

28 Schneider: Total, five hours.

1 Gardner: How long were you in China?

2 Schneider: About a week.

3 Gardner: Okay, who paid for your plane ticket?

4 Schneider: It was paid for by myself. I had enough frequent flier miles it costs me \$79 round trip.

5 Gardner: Who paid for your hotel room?

6 Schneider: I paid for the hotel.

7 Gardner: MedPort never reimbursed you for any of that?

8 Schneider: I just got back, I haven't submitted any kind of reimbursement.

9 Gardner: This conversation started by me asking what other bonuses you said you – you were talking  
10 about your trip and expenses for MedPort so what are you going to ask MedPort to pay for?

11 Schneider: There is probably \$200.00 or \$300.00 of food bills that's on MedPort credit card that was  
12 used by Brandon and I was there, so I guess that befits me.

13 Gardner: Did you paid for your Hotel with a MedPort credit card?

14 Schneider: No.

15 Gardner: Do you intend to submit it for reimbursement?

16 Schneider: I stayed at the dormitory where my so – it's the dormitory apartment complex that he's paid  
17 for.

18 Gardner: I want to go back to my original question. Other than the \$2,500.00 you get either through  
19 payment of salary or payment of other expenses living expenses, the rent on the house. Other than the  
20 \$2500 for each, you and your wife. You don't receive any total benefits more than \$5,000.00 per  
21 month.

22 Schneider: From MedPort?

23 Gardner: From MedPort.

24 Schneider: No, not to my knowledge.

25 Gardner: You and your wife are the only employees of MedPort?

26 Schneider: Well there are other contractors but we are the only 1099 employees.

27 Gardner: And the independent contractor is J-Tech in Bozeman?

1 Schneider: There is also Wolf Interactive which is Southern California software development company,  
2 they've done work for MedPort.

3 Gardner: Anyone else?

4 Schneider: I'm sure when tax returns are done I'll be able to answer that a little more effectively. But  
5 those are the only two that I'm involved in.

6 Gardner: Didn't I understand - you made earlier - that since the bankruptcy you've continued — to use  
7 Schneider Limited Partnership to pay expenses?

8 Dye: No his testimony is Michelle took money took money for living expenses. That was his testimony.

9 Gardner: That was later testimony. Earlier he said there was about \$20,000.00 he has taken the rest of  
10 it \$15,000.00 to Dave Clark

11 Schneider: I didn't did Kathleen Burrows negotiated with Dave Clark to represent Schneider Limited  
12 Partnership in the Meridian case. Felt Martin — so I very specifically, Kathleen Burrows told Michelle  
13 Schneider to write a check out of Schneider Limited Partnership's account and she did for the  
14 \$15,000.00.

15 Gardner: So Michelle Schneider has continued to take money for her living expenses, correct?

16 Schneider: Yes

17 Gardner: Are those living expenses that aren't paid for by MedPort, LLC?

18 Schneider: Well MedPort doesn't pay living expenses it pays a lease.

19 Gardner: They pay her rent.

20 Schneider: Yes.

21 Gardner: They pay her power?

22 Schneider: I'm not sure, possibly.

23 Gardner: Renters insurance.

24 Schneider: I don't think there is any renters insurance.

25 Gardner: Cable TV.

26 Schneider: I haven't watched TV in 6 months.

27 Gardner: That's all I have.



1 Patten: I've got just a couple. Dr. Schneider, I thought you told me that Michelle took cash out of  
2 Schneider Limited Partnership – that she had been living on.

3 Schneider: Michelle Schneider, I believe has taken cash out of Schneider Limited – part of her  
4 distribution in Schneider Limited Partnership to make ends meet – yes.

5 Patten: Okay. And I understood that this was done before the bankruptcy was filed.

6 Schneider: I don't know if it's been after the bankruptcy was filed. I know that when the bankruptcy -  
7 was only \$20,000.00 in the Schneider Limited Partnership account \$15,000.00 of that went to Dave Clark  
8 and I believe \$3,000.00 or \$4,000.00 is going to Michelle. She told me she just paid that for the  
9 accountant in Missoula, for Schneider Limited Partnership.

10 Patten: You just told Trent or Fred that the Limited Partnership is paying the living expenses for  
11 Michelle. She's drawing money now to pay her living expenses.

12 Schneider: Perhaps I misspoke.

13 Patten: Okay. Where did you get the other money to go to China on in addition – other than the plane  
14 ticket?

15 Schneider: I had a plane ticket that costs me \$79 round trip. I stayed at the apartment complex dorm  
16 that my son is at, which is a two bedroom he was the only one there. As I said there is \$200.00 or  
17 \$300.00 in moneys that I believe that Brandon put on the MedPort bank account.

18 Patten: Credit Card?

19 Schneider: Credit Card.

20 Patten: Does Brandon carry a MedPort credit card all the time?

21 Schneider: Yes.

22 Patten: Does he use it for non-MedPort purposes?

23 Schneider: I don't do the accounting for MedPort, so I hope not.

24 Patten: Do you carry a MedPort credit card?

25 Schneider: I don't.

26 Patten: Does Michelle?

27 Schneider: I don't know.

28 Patten: You talked about a 1099 employee, what do you mean by that?

1 Schneider: Well, I've we get a 1099 tax return for – 1099 statement from MedPort for 2014.

2 Patten: Okay.

3 Schneider: Michelle and I.

4 Patten: What's the term of the lease of the apartment rented by MedPort in which you and Michelle

5 live?

6 Schneider: Well I don't live there often. The term of the lease is a month-to-month rental.

7 Patten: How much is the rent?

8 Schneider: I'm not sure but I think it's between \$2,500.00 and \$3,000.00 per month.

9 Patten: Thank you.

10

11

12 Womack: What credit card did you use for the frequent fliers miles for the ticket to China?

13 Schneider: My corporate American Express.

14 Womack: Your personal one?

15 Schneider: The practice's, Northern Rockies Neurospine, yes – that's where

16 Womack: How much did the ticket cost?

17 Schneider: I don't know \$79.00 is pretty good.

18 Womack: No, I mean what was the total value of the ticket.

19 Schneider: I don't know I just did it with the frequent flier miles

20 Womack: You could have cashed it in right? You could have taken the American Express card instead of

21 bought the ticket to China using the frequent flier miles, you could have just taken that cash right?

22 Schneider: I actually have no idea.

23 Dye: I don't know if you can cash in frequent flier miles –

24 Womack: Usually, you can.

25 Schneider: It's beyond my experience.

26 Womack: But you got the benefit of that- that was the benefit that you could get out of that Northern

1 Rockies Neurospine, credit card.

2 Schneider: Yes, sir.

3 Womack: You didn't put that on your schedules did you?

4 Schneider: Didn't think to.

5 Womack: I mean it's not a big deal but it might have been a \$1,000.00- \$2,000.00 bucks.

6 Schneider: I couldn't tell you.

7 Womack: Why don't you find out get the statement for that, find out much it was?

8 Schneider: So how –just find out how much a ticket to

9 Womack: No I want a statement that shows how much – what the dollar benefit of that ticket was.

10 Dye: The number of miles you mean?

11 Womack: When you buy a ticket using frequent flier miles they give a dollar value, normally to the ticket

12 and say you've got sufficient frequent flier miles to buy this ticket worth this much money. I want to

13 know how much it was at the time you filed bankruptcy clearly you had that benefit available to him. I

14 just want to know how much that was.

15 Schneider: It was before the bankruptcy?

16 Womack: You bought the ticket before the bankruptcy. The ticket was in your name –

17 Schneider: Four months ago – five months ago

18 Womack: The ticket was in your name personally?

19 Schneider: Yes.

20 Womack: Well find out the information anyway. Give it to me.

21 Schneider: Frequent flier –

22 Dye: There was probably some transaction, I think that's what probably Mr. Womack's looking for is

23 whatever the transaction from whoever it is. Whatever airline –

24 Womack: Anything else Trent?

25

26



1 Paoli: Just a couple questions here. When was MedPort Incorporated?

2 Schneider: May of 2012.

3 Paoli: And to date it's never had any revenue, right?

4 Schneider: That's incorrect.

5 Paoli: What revenue has it had?

6 Schneider: I believe that the tax returns from 2013 will show revenue of over \$50,000.00.

7 Paoli: What was that for?

8 Schneider: Work that I did as a consultant under the name of MedPort.

9 Paoli: Okay but your product has never sold anything right?

10 Schneider: Hasn't launched yet.

11 Paoli: When do you expect that it will be launched?

12 Schneider: There is a minimal viable product called MVP for the software that is speculating around

13 that's – will hopefully be released by this June or July.

14 Paoli: You're going to get us records regarding MedPort and what your son has been paid as CEO?

15 Schneider: I will not get any of those records.

16

17 Womack: If I understand Van correctly he said that they would request that from MedPort, correct?

18 Dye: Yes.

19 Womack: If there's a problem you'll let me know very soon? Not just two days before the next 341

20 Meeting?

21 Dye: I'm hoping that there will not be a next 341 Meeting Joe

22 Womack: I would like to see the stuff.

23 Dye: Yeah, no, no, yes.

24 Womack: Okay.

25

26 Gardner: What does Michelle do for MedPort?

1 Schneider: Well Michelle is an RN and since I'm an MD and so my software development that to provide  
2 support services for health care professionals in general. There is a significant RN component to that,  
3 and MedPort has also – this is how I've been paid in consulting a liability case or workers compensation  
4 there is medical records, and documents that are – box of medical records and Michelle will go through  
5 and collate that and read through and find out – say it's a litigation case and I'm defending, I'm testifying  
6 to defend another neurosurgeon. Then the pertinent, she'll read through the pertinent information for  
7 me to specifically review that would related to neurosurgery she'll bring to my attention.

8 Gardner: Does she work with J-Tech on the development of the software?

9 Schneider: She does and Wolf Interactive.

10 Gardner: So, through MedPort, do you act as an expert witness?

11 Schneider: That's one of the things that I have done, yeah.

12 Gardner: Okay, how many cases have you acted as an expert witness on?

13 Schneider: About 10.

14 Gardner: Michelle's working full time as a cook –chef?

15 Schneider: Part time. That's there is a big project that they are about to undertake where she'll be lead  
16 the – the money that is generated from that will go to MedPort. That has to do with the production of a  
17 video commercial channel using Facebook YouTube social media with sponsorship where she'll be the  
18 cook. At the location that MedPort has, there will be actual formal production video - production there  
19 will be produced and launched for –

20 Gardner: At the location MedPort has –

21 Schneider: Where it's renting the lease to this

22 Gardner: Is that MedPort paid for her culinary school?

23 Schneider: Yes. Any revenue that she's going generate from that production will go into MedPort.

24 Gardner: Are there contracts regarding all of that?

25 Schneider: I don't know, I'd say. She does not, to my knowledge, there is no specific contract that I  
26 have or that she has with MedPort to turn that revenue into to MedPort but just as I've represented in  
27 the work that I've done – it's more than just expert witness. There is other revenue generated from  
28 case reviews workers compensation, that kind of thing.

29 Gardner: Do you and Michelle get actual paychecks from MedPort with taxes withheld?

30 Schneider: With no taxes held. There have been paychecks.

1 Gardner: So how are you a 1099 employer? Or a W-2 – did you say you're a 1099 or a W-2?

2 Schneider: 1099.

3 Gardner: So you're not actually employees.

4 Schneider: We received a 1099 in 2014 for the work we did for MedPort.

5 Gardner: So you're not –

6 Schneider: I wasn't actually paid directly the payment was made to Northern Rockies Neurospine. And  
7 specifically it was Northern Rockies Neurospine would utilize that money to pay ongoing litigation  
8 expenses.

9 Gardner: So you didn't receive any money direct from MedPort in 2014?

10 Paoli: So your household income is \$2,500.00 per month, not \$5,000.00, correct?

11 Gardner: \$1,500.00 of it would be \$5,000.00.

12 Patten: You do the work, it gets billed through MedPort – MedPort gets the money and dribbles a little  
13 bit back to you. The rest of it stays in MedPort.

14 Schneider: I'm not sure if dribble is the correct term, counsel but MedPort paid – I know that MedPort  
15 paid Northern Rockies Neurospine about – during 2014 pretty much about what I earned from MedPort  
16 in 2014.

17 Patten: Is there a reason why you just don't work for MedPort and get paid a wage? Or this consult  
18 under your own name and not through MedPort?

19 Schneider: It's a company that – when MedPort was conceived, none of any of this was ever conceived  
20 and I had a very viable, very healthy, highly productive neurosurgical practice. I never could have  
21 conceived that I would have had the issues I've had with the Wyoming Board of Medicine. So when  
22 MedPort was created it, my intention was to provide consultation services for MedPort but to continue  
23 practicing neurosurgery 60 hours 80 hours a week, as I have done since 1987.

24 Patten: You have all of your income hidden through MedPort don't you.

25 Schneider: I have no income hidden through MedPort

26 Patten: Sure you do.

27

28

29 Gardner: Are you saying the formation of MedPort had nothing to do with the Biles litigation?



1 Schneider: I'm absolutely testifying that, yes.

2 Gardner: Do you think formed MedPort before the Biles' litigation?

3 Schneider: It had nothing to do with the Biles litigation. MedPort was conceived when Kathleen  
4 Burrows – and I testified to this last time. When Kathleen Burrows the OMNI Center she had specific  
5 management rules in trying to advertise the OMNI Center for all parties. She wasn't actually even an  
6 employee of mine, we had contemplated something called Doctor's Black Bag or DBB.com and that's  
7 what we were actively working on long before the Biles litigation. MedPort was the conception of  
8 bringing those software development projects to light.

9 Gardner: So it was just a coincidence that MedPort was formed at the same time as the three  
10 irrevocable trusts and that Whispering Winds Ranch was then transferred to the Trusts and then  
11 Schneider LP loaned all of its money to MedPort?

12 Schneider: Schneider Limited –SLP would not have loaned any money to MedPort until it was created.  
13 Kathleen Burrows joined the OMNI Center in – I don't know the exact date, maybe September-October  
14 of maybe a little bit before that 2011. Busy life. Certainly, my attentions and my ability to participate in  
15 the formation of any entities or my consultations was side tract with multiple things going on  
16 simultaneously and in early 2012. But the conception of what MedPort was meant to be was long  
17 before Biles litigation. I think I have a long track record of these corporation being form for their very  
18 specific purposes. So no, there is no hiding of money in MedPort. It has a very specific business intent  
19 and never contemplated that my sole income – or my sole employment would be through MedPort, I  
20 still don't. I'm still fighting to get my medical license back in Wyoming and continue practicing  
21 Neurosurgery. Which is my intention.

22 Paoli: Just like the decision to amend you captive insurance company include defamation had nothing  
23 to do with the Biles lawsuit.

24 Schneider: What are you asking me?

25 Paoli: Well you just said that – was all a coincidence that –

26 Dye: -

27 Womack: I think we are done for today.

28 Morris: I just have one question, if could? I was just wondering, your description of a creditor. Who  
29 filled out your bankruptcy paperwork, was it you or your attorney here? Or was it that filled it out?

30 Dye: I prepared it

31 Morris: The definition of a creditor is what?

32 Dye: A definition of a creditor is anybody who has a claim or in the case of a lot of the people that were

1 listed – possible claims

2 Morris: So you can put anyone in there like a guy walking down the street that could possible –

3 Dye: That could possibly have a claim. With Dr. Schneider wanted to get out of this sir, is we'd like to  
4 get a discharge out of this and he doesn't want to get something popping out of the wood work. That's  
5 the whole reason for that.

6 Morris: In the bankruptcy court papers a description of a creditor is to whom a business to which the  
7 debtor owe money or someone the claims to be owed money.

8 Dye: Right.

9 Morris: I'm just going to see – what money am I owed.

10 Dye: That's up to you.

11 Morris: No it isn't I'm listed as a creditor – if something comes up that I don't have any idea about that  
12 comes up later on because of something that happened, I'm virtually screwed because I'm listed as a  
13 creditor but yet I do not fall into the definition of a creditor. Nor does a bunch of other people in here.

14 Womack: Okay, I appreciate what you're say, but you need to ask questions. But if you start-

15 Morris: I am – how much money am I owed.

16 Dye: You're listed as having an unknown amount of possible claim that's contingent and liquidated and  
17 disputed all the other patients.

18 Morris: The other question I have is granted Marriage is kind of a partnership, but if Michelle gets half  
19 of Dr. Schneider's income? Why isn't she here taking half of the brunt and taking half of the debt?

20 Womack: That's a legal question. Unless you want to ask Dr. Schneider.

21 Morris: I understand where he's coming with the marriage thing, my checks go all the time, and I don't  
22 see them. But still if something comes up I would expect my significant other that's making that un-  
23 shot off of me would be right here beside me taking the brunt end of the hit too. I guess my –

24 Womack: Okay, do you have any other questions?

25 Morris: Nope sorry.

26 Womack: Adjourned;

27

28

CERTIFICATE

I certify that the foregoing is a correct transcript form the electronic recording of the 341 Meeting of Creditors in the above-entitled matter, all done to the best of my skill and ability this 15<sup>th</sup> day of April, 2015

/s/ Connie Reynolds

Connie Reynolds